

SCHOOL FUNDING ACROSS THE STATES

Emily Parker
June 4, 2018



EDUCATION COMMISSION
OF THE STATES

Your education policy team.



What we do

We believe in the power of **learning from experience**
and we know informed policymakers create **better
education policy.**



How we do it



RESEARCH



REPORT



COUNSEL



CONVENE

Presentation Overview

- **How does Wisconsin compare to other states?**
- How do other states fund schools?
- What are the components of a high-quality funding system?

National Overview: Per-Pupil Spending

- National Average: \$11,392

	Amount	Rank
Wisconsin	\$11,375	21
Illinois	\$13,755	13
Iowa	\$10,944	26
Michigan	\$11,482	20
Minnesota	\$11,949	17

Source: Census
Public Education
Finances: 2015, Per
Pupil Amounts for
Current Spending of
Public Elementary-
Secondary School
Systems by State:
Fiscal Year 2015
(Table 8)

National Overview: Teacher Salaries (2016)

- National Average: **\$58,353**

	Amount	Rank
Wisconsin	\$54,115	24
Illinois	\$61,342	12
Iowa	\$54,416	22
Michigan	\$62,028	11
Minnesota	\$56,913	19

Source: NEA Rankings of the States 2016 and Estimates of School Statistics 2017

National Overview: Teacher Salaries (2016) Adjusted for State Cost of Living

- Teacher salaries adjusted by the “Comparable Wage Index”
- National Average: **\$58,353**

	Amount	Rank
Wisconsin	\$52,936	25
Illinois	\$53,629	22
Iowa	\$58,024	11
Michigan	\$62,261	5
Minnesota	\$54,643	17

Source: NEA and Texas A&M Bush School of Government & Public Service

Teacher Salaries in California

- Between 2015 and 2016, the average salary in Wisconsin increased by 3.5% from **\$52,264** to **\$54,115**.
- Wisconsin's rank increased from 25th to 24th.
- NEA predicts that the average salary will increase again in 2017 to **\$54,998**.

National Overview: High School Graduation Rate

- National Average: **83.2%**

State	High School Graduation Rate	Rank
Wisconsin	88.4%	6
Illinois	85.6%	23
Iowa	90.8%	1
Michigan	79.8%	36
Minnesota	81.9%	32

Source: NCES: Table 1. Public high school 4-year adjusted cohort graduation rate (ACGR), by race/ethnicity and selected demographics for the United States, the 50 states, and the District of Columbia: School year 2014–15

National Overview: NAEP Scores

- National average:
 - 8th grade mathematics: 32%
 - 8th grade reading: 33%

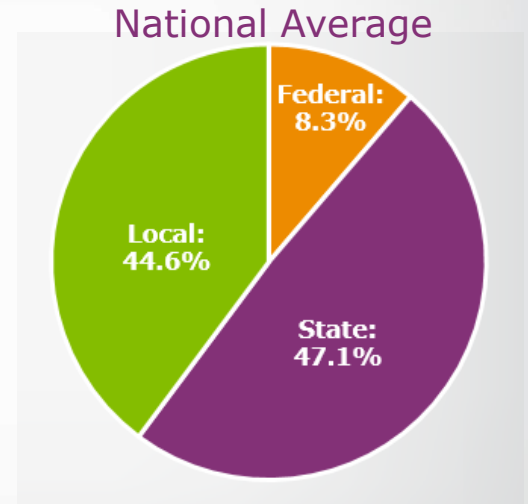
State	Percent Proficient or Above on 8 th Grade Math	Percent Proficient or Above on 8 th Grade Reading
Wisconsin	41%	39%
Illinois	32%	35%
Iowa	37%	36%
Michigan	29%	32%
Minnesota	48%	40%

Source: Nation's Report Card (NCES), 2015 Mathematics and Reading Assessments

National Overview

Breakdown of school funding sources (FY 2015)

	Federal	State	Local
Wisconsin	7.2%	52.0%	40.8%
Illinois	7.2%	37.8%	55.0%
Iowa	7.1%	53.6%	39.3%
Michigan	8.8%	58.2%	33.0%
Minnesota	5.5%	65.6%	28.9



Source: Census Public Education Finances: 2015, Percentage Distribution of Public Elementary-Secondary School System Revenue by Source and State (Table 5)

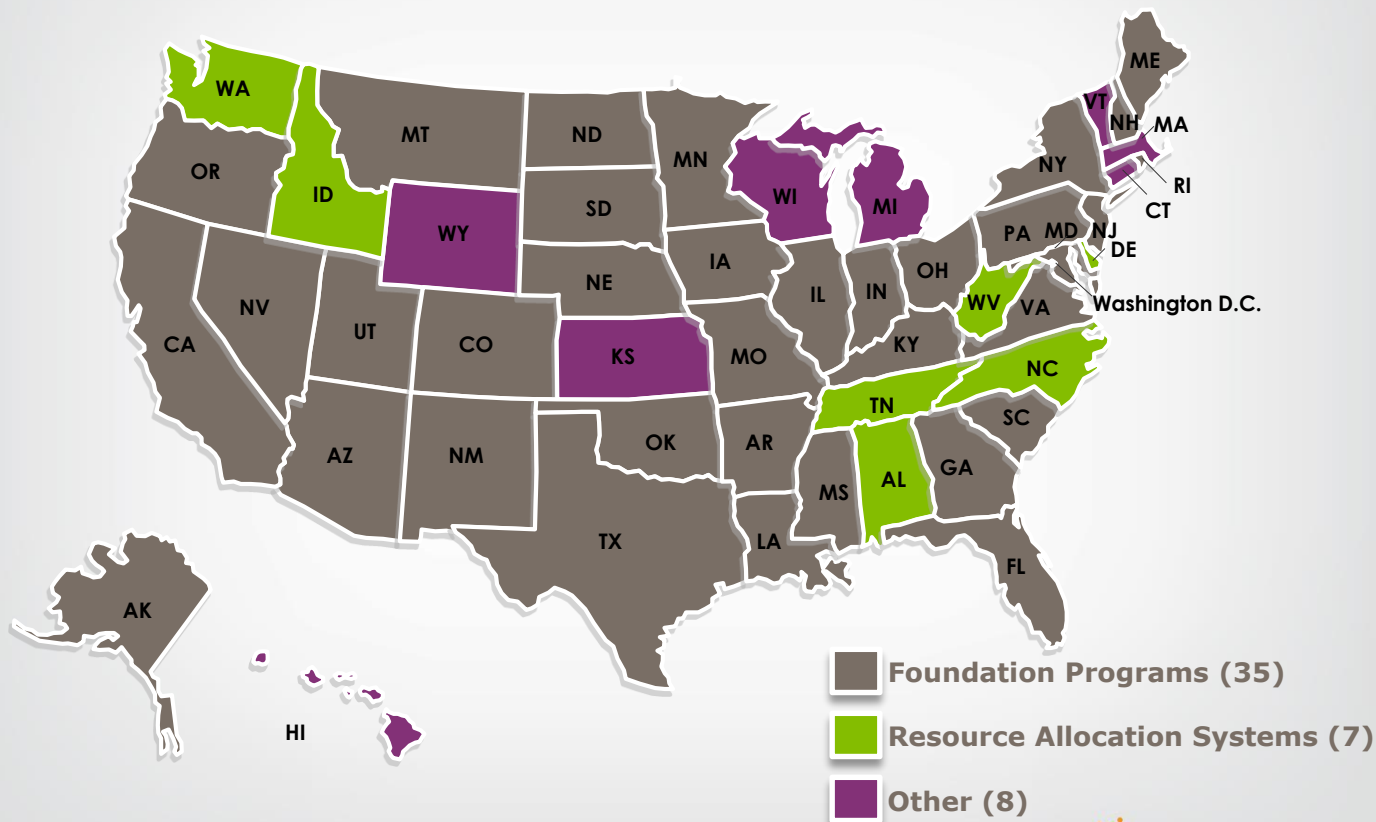
Presentation Overview

- How does Wisconsin compare to other states?
- **How do other states fund schools?**
- What are the components of a high-quality funding system?

Primary School Funding Formula

- 1st Generation: Flat payment
- 2nd Generation: Take district wealth into account
- 3rd Generation: Take both relative wealth & student needs into account
- 4th Generation: 3rd gen plus provides flexibility to districts
- 5th Generation: Ensuring that the resources are targeted to the student

School Funding Formulas in Each State



Presentation Overview

- How does Wisconsin compare to other states?
- How do other states fund schools?
- **What are the components of a high-quality funding system?**

English Language Learners

At-Risk Students

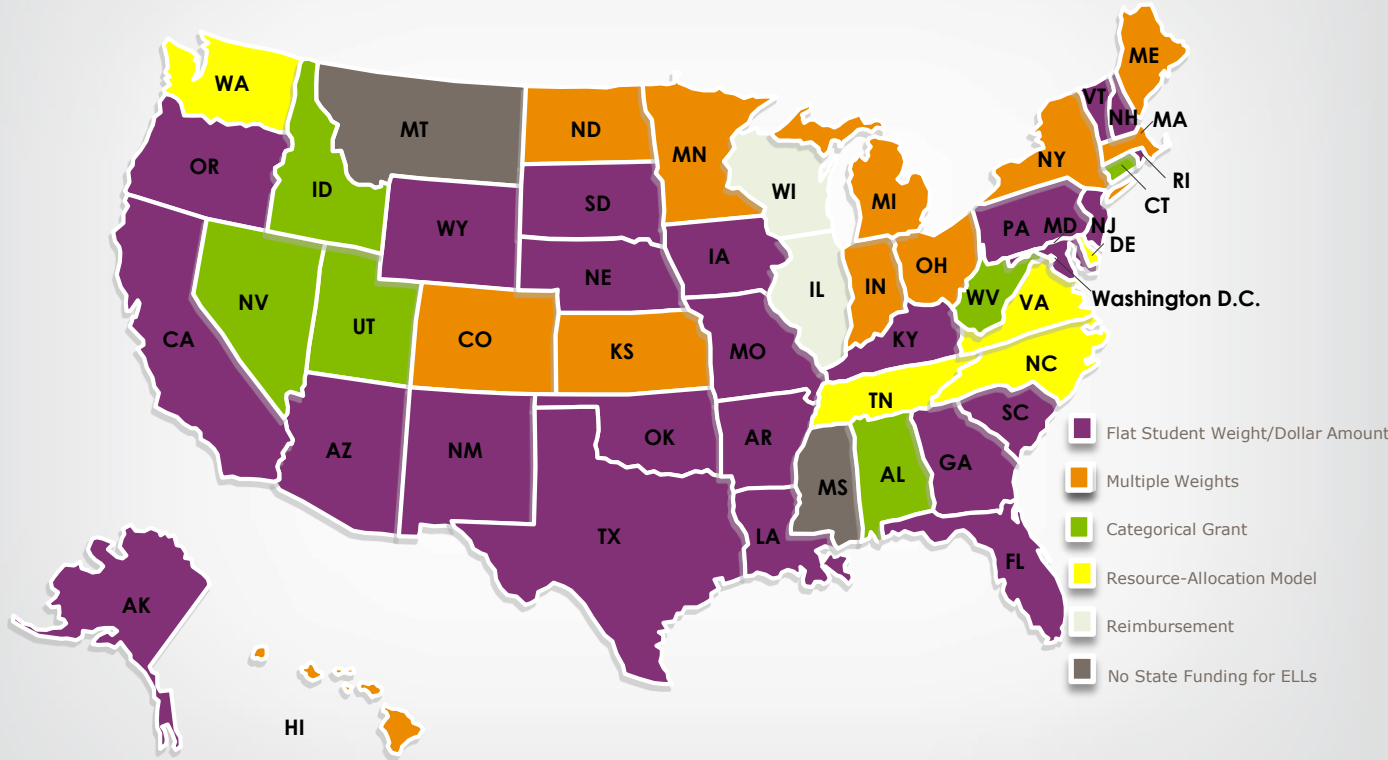
Special Education Students

Gifted and Talented Students

English Language Learner Funding

- 48 states provide additional resources to districts for English Language Learners (ELLs)
 - ◆ **Mississippi** and **Montana** provide no additional funding
- States fall into categories based on their funding mechanism
 - ◆ Flat Weight or Dollar Amount
 - ◆ Multiple Weights
 - ◆ Categorical Grant
 - ◆ Reimbursement
 - ◆ Resource Allocation Model

English Language Learner Funding



English Language Learners

At-Risk Students

Special Education Students

Gifted and Talented Students

At-Risk Students

FIGURE 1: Percent of Students Testing Proficient or Above on NAEP, by National School Lunch Program Eligibility
Math, 2015

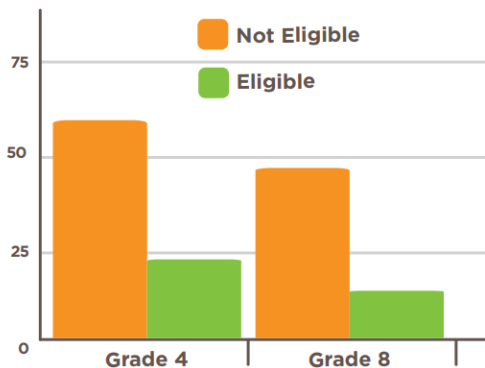
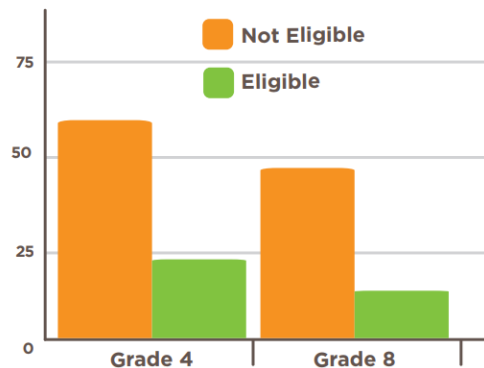


FIGURE 2: Percent of Students Testing Proficient or Above on NAEP, by National School Lunch Program Eligibility
Reading, 2015



Source: U.S. Department of Education Institute of Education Sciences National Center for Education Statistics

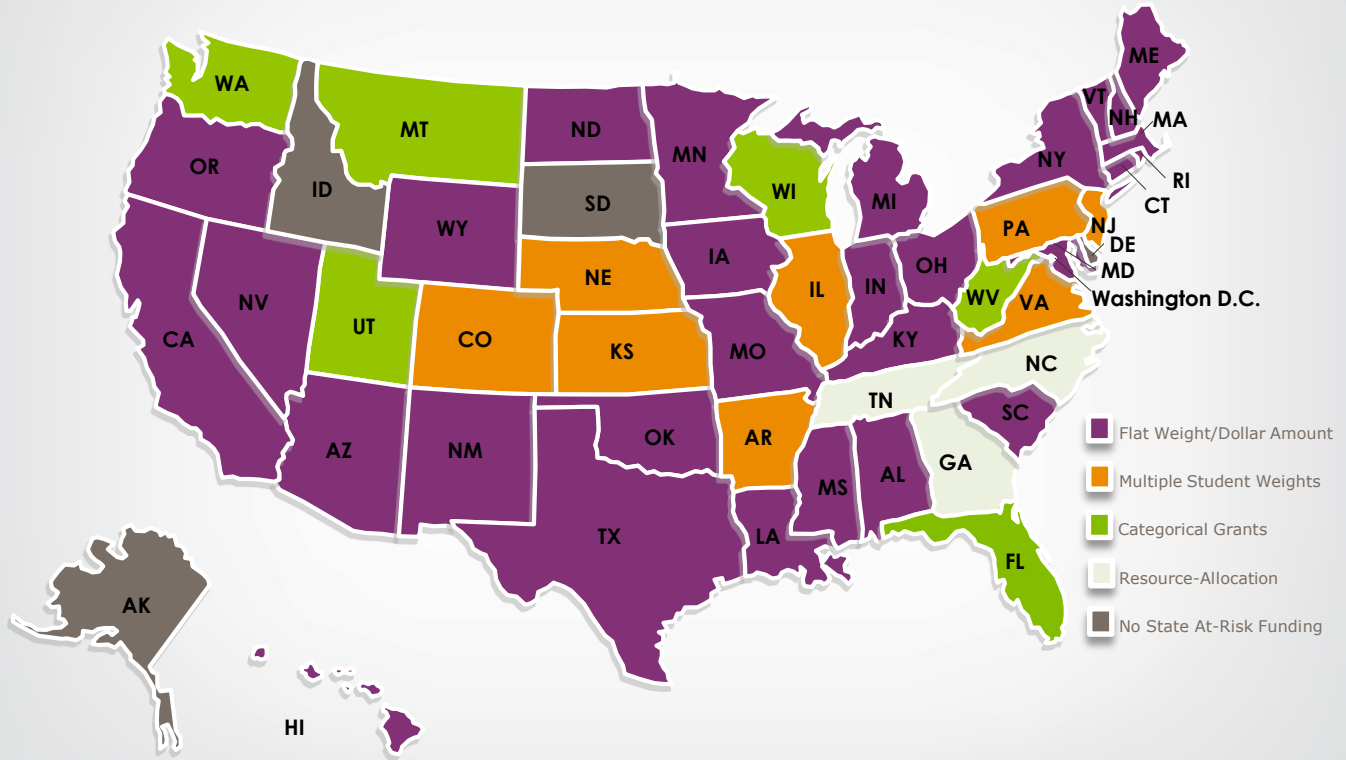
At-Risk Students

- States use economic disadvantage as a proxy for at-risk status
 - ◆ Most common identification method is eligibility for the National School Lunch Program
- All but 4 states provide additional resources for at-risk students
 - ◆ **Alaska, Delaware, Idaho, and South Dakota** do not

At-Risk Students: Funding Mechanisms

- Flat Student Weight or Dollar Amount
 - ◆ Most common mechanism
 - ◆ 33 states
- Multiple Student Weights
 - ◆ Based on Concentration
 - ◆ 8 states
- Categorical Grants
 - ◆ 6 states
- Resource Allocation Model
 - ◆ 3 states

At-Risk Funding Mechanisms



English Language Learners

At-Risk Students

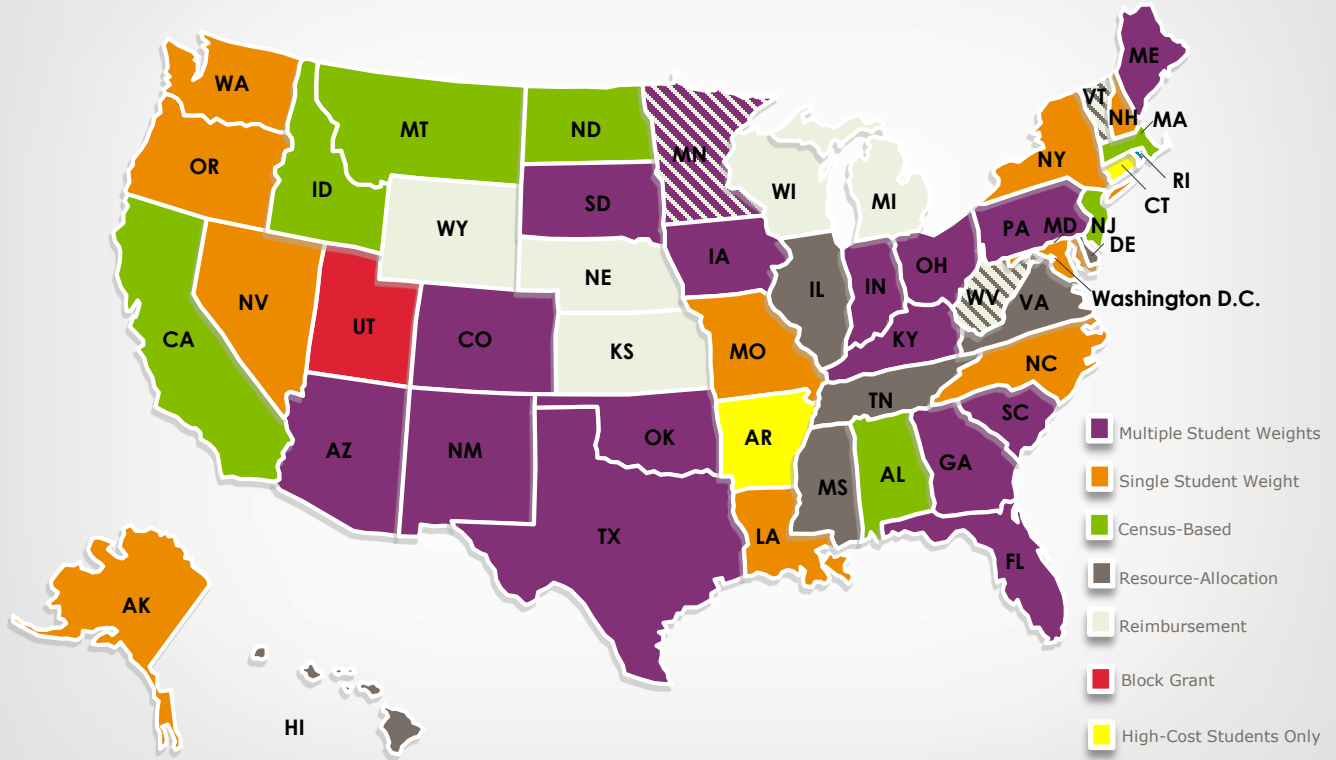
Special Education Students

Gifted and Talented Students

Special Education Funding

1. Multiple Student Weights
(Based on severity, disability, or resources)
2. Single Student Weight
3. Census-Based
4. Resource-Allocation Model
5. Reimbursement
6. Block Grant
7. High-Cost Students Only

Special Education Funding Models



English Language Learners

At-Risk Students

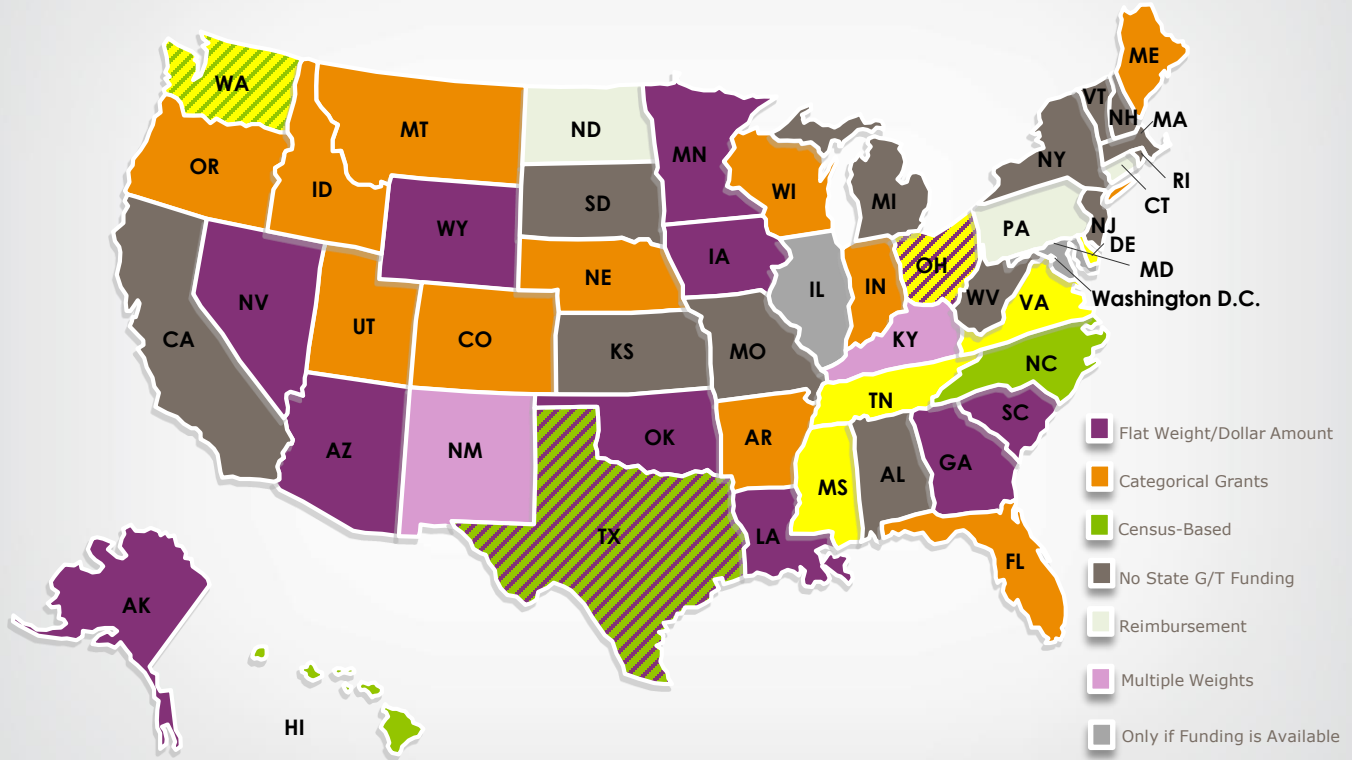
Special Education Students

Gifted and Talented Students

Gifted and Talented Funding

- **Thirteen states** provide no additional funding for gifted and talented students
 - ◆ Additionally, Illinois and Maryland have programs in statute, but they are unfunded
- Problem: **How to identify**
 - ◆ High-achieving versus high-IQ
 - ◆ Parents identification versus teacher identification
 - ◆ High-income students are over-identified while low-income/ELL/special ed students are under-identified

Gifted and Talented Funding Models



Questions?



Emily Parker
Policy Analyst
eparker@ecs.org
303.299.3662